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COMMISSIONERS
BOB STUMP – Chairman
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ARIZONA CORPORATION COMMISSION

SUSAN BITTER SMITH
Commissioner
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August 21, 2013

John P. Kmiec
Utilities Director
Town of Marana, Arizona
5100 West Ina Road
Marana, Arizona 85743

Dear John,

I would like to thank you for bringing your concerns about AEPCO's rate proposal to my attention. I take your concerns very seriously. Your letter regarding the rate case will be placed on file with the Docket Control Center of the Arizona Corporation Commission ("Commission") to be made part of the record. The Commission will consider your comments before a decision is rendered in the application. You can track the case's progress at www.azcc.gov, by clicking on eDocket and typing in the docket number E-01773A-12-0305.

The concerns raised in letters received from customers will assist the Commission in the investigation and review of the rate application. The Commission's independent analysis of the utility and its rate request attempts to balance the interest of the utility and its customers.

We appreciate your comments and the interest taken on the proposed rate case.

Sincerely,

Susan Bitter Smith
Commissioner

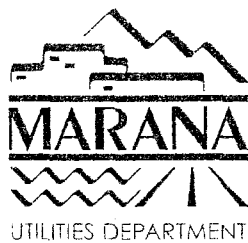
Arizona Corporation Commission
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AZ CORP COMMISSION
DOCKET CONTROL

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August 12, 2013

Arizona Corporation Commission
Commissioners Wing
1200 West Washington
Phoenix, AZ 85007-2996

**SUBJECT: AEPCO APPLICATION FOR RATE DECREASE
ACC Docket No. E-01773A-12-0305**

To the ACC Commissioners:

The Town of Marana is a customer of Trico Electric Cooperative. As such, Marana supports the application of Arizona Electric Power Cooperative (AEP CO) for an overall decrease in its rates. Marana is a growing community that has attracted the attention of small and mid-size businesses looking to relocate to Arizona.

In July 2012, AEP CO announced it was seeking a rate decrease of about 2.77 percent as a result of its successful cost containment measures. This was fantastic news for Trico's customers, including Marana, because it would result in a direct savings on the customers' monthly electric bills.

ACC Staff's consultants are now proposing a rate *increase* for AEP CO. The consultants state that the increase is necessary to cover possible future expenses associated with EPA compliance; however, those costs are not yet known or measurable. Should a future EPA decision affect AEP CO, we understand that AEP CO would need to make appropriate adjustments to its wholesale rate at that time.

Trico estimates the difference between AEP CO's and ACC Staff's proposal is about \$4 a month on the residential customer electric bill. This amount could be significant to many of Marana's economically challenged residents.

Marana respectfully requests that you allow the rate decrease as originally proposed in AEP CO's rate filing. This will directly benefit Trico's predominantly residential, rural customers, while maintaining the financial health of AEP CO and its member distribution cooperatives like Trico.

Thank you for your time.

Sincerely,

John P. Kmiec
Utilities Director – Town of Marana, Arizona

CC: Del Post, Deputy Town Manager, Town of Marana, AZ
Utilities File